GOVERNMENT OF INDIA
SKILL DEVELOPMENT AND ENTREPRENEURSHIP
LOK SABHA

UNSTARRED QUESTION NO:3209
ANSWERED ON:16.03.2016
Digital Vouchers
Girri Shri Maheish

Will the Minister of SKILL DEVELOPMENT AND ENTREPRENEURSHIP be pleased to state:

(a) whether the Government has taken any steps to ease out the procedure of sanction of loans/digital vouchers;

(b) if so, the details thereof;

(c) whether his Ministry has designed a simple model for Skill Loan Scheme in association with the Department of Financial Services; and

(d) if so, the details thereof ?

Answer

(a) to (d) Ministry of Skill Development and Entrepreneurship (MSDE), in consultation with Department of Financial Services and Indian Banks Association (IBA), has designed a simple model Skill Loan Scheme aimed at providing a loan facility to individuals who intend to take up skill development courses. Steps undertaken to ease out the procedure of sanction of Skill Loans are:
(i) Any individual who has secured admission in a course as per National Skill Qualification Framework (NSQF) run by organizations/institutions including ITIs, Polytechnic, NSDC etc. to be notified for the purpose is eligible for a Skilling Loan.
(ii) Loans will range from Rs. 5,000/- to Rs. 150,000/.
(iii) There is no specific restriction with regard to the age and minimum qualification of the student to be eligible for skilling loan.
(iv) Apart from all member banks of IBA, scheme will also be applicable to Microfinance Institutions (MFIs) and other financial institutions regulated by RBI.
(v) No collateral for such skilling loan will be taken.
(vi) Risk of banks covered through Credit Guarantee Fund under the National Credit Guarantee Trust Company Ltd (NCGTC).
(vii) No processing fee will be charged by Banks/MFIs.
(viii) The bank may have installment during the course period itself or may consider moratorium of 6-12 months for specific courses or certain sections of the students.
(ix) Simple Application form has been designed to ensure easy application procedure.